

The Lobster Bulletin

Spring 2014

lobsterinstitute.org

News, research updates and information on lobsters and the lobster industry.

Red Lobster Restaurants Under New Ownership

Seafoodnews.com has reported the announcement of Darden Restaurants sale of Red Lobster to Golden Gate Capital, for \$2.1 billion. Darden will net \$1.6 billion from the sale. Golden Gate Capital will simultaneously spin off Red Lobster real estate for about 500 stores to American Realty, netting \$1.5 billion, meaning their net cost is about \$600 million. Golden Gate has a small restaurant portfolio, including California Pizza Kitchen and On the Border. They recently sold Marconi Grill. All of these chains are in the 200-300 store range, far below the 700 operated by Red Lobster.

In seafoodnews.com's analysis, "this is a blow to Darden's leadership in the seafood industry. It is hard to imagine a turnaround firm having the same long term

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Maine Department of Marine Resources Gathers Input in Advance of a Possible Lobster Management Plan

In March and early April, 2014 Maine Department of Marine Resources (DMR) Commissioner Patrick Keliher held a dozen informational meetings throughout the state to talk about a vision for Maine's lobster industry. On the table for discussion was a possible lobster management plan at the state level that would co-exist with the current Atlantic States Marine Fisheries Commission (ASMFC) plan. According to Keliher, the ASMFC plan, developed in 1993-1994, only begins to address adaptive management issues once the catch decreases to 35 million pounds. This would take a 90 million pound drop from the 2013 landings of 126 million pounds. Keliher would prefer to see Maine's fishery react sooner, noting that today's substantial

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2014 Canadian/U.S. Lobstermen's Town Meeting Held in Portland

The annual Canadian/U.S. Lobstermen's Town Meeting was held in Portland, Maine on March 21 and 22, at the Regency Hotel. This is an industry-wide gathering of lobstermen and other interested parties that come together to discuss the status of the lobster resource (*Homarus americanus*) and the industry – from the perspective of the fishermen.

This year, the Lobster Institute was joined by the Atlantic Lobster Sustainability Foundation as a co-host for the Town Meeting.

Based on the recommendation of the planning committee, the primary theme of the meeting was, "we are all in this together."

Guided discussion topics include:

- ❖ Aiming for a consistent catch
- ❖ Marketing
- ❖ Sustaining the resource
- ❖ Handling for quality & Dockside grading

As always, there plenty of time was allotted for open discussion on any topic of choice.

The discussion on marketing led to a suggestion that while regional marketing is a given, there can be ways to coordinate some efforts to standardize parts of the message to consumers. Examples would be outlining methods for preparation and storage, nutritional information, and other educational pieces. This would help ensure that all regions are on the same page with this type of information, thus avoiding consumer confusion, which builds distrust in the product.

In regards to handling for quality, all agreed that getting the best quality lobster to the consumer is the right approach. There was not agreement, however, on how to institute quality standards and practices, and who would pay to implement them. "This is one of the failing points in the industry, as dealers, we have not found an applicable mechanism to compensate for the quality," said Spiros Tourkakis of East Coast Seafood.

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The Lobster Institute

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A unit of the Maine Agricultural and Forest Experiment Station



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2014 Canadian/U.S. Lobstermen's Town Meeting

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"It's not so much that we do not value or we don't pay the extra for the quality lobsters. We have been overpaying for the poorer lobsters. In other words, the way the system that we have in the lobster industry [works] is it pays pretty much the same price for everything." It was also noted that the rush to catch as much as possible during the start of the seasons in Canada leads to an overload at the distributors and processors which makes maintaining quality difficult.

Hand and hand with the discussion on quality was a discussion on transparency and pricing. It was noted that pointed out that if the industry doesn't put some tools in place to improve the price, there will be no economic advancement for any sector. During a discussion on action items, on group summarized as follows, "the common interest in this group was to add as much transparency through the supply chain as we can by having people at the table and also [realize] how we talk to each other, how we communicate with each other really impacts our ability to do that... the harvesters feel like they're being lied to, the dealers feel like they're being blamed, and we need to get beyond that to try to begin to solve the pricing problem."

Sustainability discussion included some debate on trap limits, rolling seasons, and superior science. Regarding sustainability and science, Jeff Holden stated, "We don't know what we have in the water and I agree that science isn't perfect but science does predict trends... and generally the science is better at predicting downward trends than upward trends. By measuring year classes and measuring recruitment and these other things, they are able to predict what's going to happen if we have a downward trend. If you look at the history of fisheries in New England and Atlantic Canada to some degree, the only real sustainable fishery that's left is lobster and I've seen, over the last 30 or 40 years how time and time again scientists have predicted that species will be declining ...and there is always a major pushback from the industry to ignore that science.

So, if as an industry, we're going to embrace science as a tool to manage the future of this fishery, then when those scientists tell us that there is a downward trend, I think we have to, as an industry, support them to the point where, if we don't totally agree with them, then we have to fund them further and find out just what's going on with the fisheries."

A full transcript of the Town Meeting is being compiled and will be found on the Lobster Institute's Web site at www.lobsterinstitute.org – in the Reports section. Audio as MP3 is also available by contacting the Institute at lobsterinstitute@maine.edu. ☞

Darden Sells Red Lobster to Golden Gate Capital

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commitment to the seafood supply chain that Darden had. By selling off its Iconic seafood brand - the business that started Darden - the company is inevitably saying that long term seafood sustainability will now be some one else's problem, and that seafood will become just another protein for Darden, as it is in their other restaurants. In our view, Red Lobster can no longer survive where it is positioned given the increase in demand, and value, for global seafood supplies. It either has to go mass market and focus on less expensive seafood, or upscale and become a smaller niche chain. Either way, its leadership role as the largest foodservice buyer of seafood will diminish. ☞

Proposed Lobster Management Plan

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catches are tempered by ongoing environmental, management, and economic challenges. One such management challenge, according to Keliher, is the number of latent commercial lobster licenses – which are licenses that are issued, but go unused. DMR statistics indicated that 2,354 license holders (48 percent of the licensed lobstermen) caught less than 14 percent of the state's landings in 2011. This translates to 1.2 million permitted traps that are not currently fished, that conceivable could be placed in Maine's waters. This number of potential traps fished is calculated into management decisions, and also figures into long wait times for new lobster permits.

The concept of having a plan in place allows for DMR to have the flexibility to deal with any future drop in landings well before the federally mandated decrease of 90 million pounds. While catches are at record highs, nearing 126 million pounds in 2013 – according to Keliher it's a good time to plan for the future. "The sky is not falling," he said. "We have enough time to deal with this situation." ☞

RESEARCH REPORT

❖ Areas of interest and suggested further study concerning the Searsport Harbor Federal Navigation Project

(A research editorial prepared by the Lobster Institute, 4/7/2014)

Marine Bottom Disruption

The primary project area covers more than 100 acres of marine bottom, the southerly one-third of which and a northeasterly turning basin have never before been dredged. The nearly one million cubic yards of dredged material would be deposited in pre-determined marine dump sites. As lobsters are benthic creatures, the impacts on the lobster populations in both the dredged area and the dump sites warrant further study.

□ Sediment in the water column released during the dredging could adversely affect floating and settling larval lobsters. We would suggest at the very least, dredging during the time of lowest impact relative to when lobsters release their eggs (typically spring and fall are the most prolific times of release.)

□ As benthic creatures, dredging and dumping will adversely disrupt the lobsters' habitat and will likely temporarily eliminate juvenile and adult lobsters in those areas. We would recommend, at minimum, a lobster population survey be conducted in the dredging and dumping grounds to get the complete picture of impact on the lobster population, the immediate fishery, and the fishery during recovery years. Possible remediation for fishermen could then be more accurately assessed.

Mercury

The levels of mercury noted in the Summary of Sediment Organic Contaminant and Metals released by Battelle indicate levels in BBDS and PDS are within the low to medium range in the sediment. How these levels would appear in the water column once dredging releases the mercury is unclear. Also unclear is if additional mercury above the norm would be consumed by lobsters and other marine animals at this time through their regular water intake. Further research in this area is needed.

The level of mercury in fin fish that warrants consideration of a consumption advisory by the MECDC for the most sensitive population is 200 nanograms (a billionth of a gram) of methylated mercury per gram of tissue. At that level, no more than one 8 ounce meal per week for pregnant and nursing women, and children under 8 is

recommended. Two average size whole lobsters would yield approximately 8 ounces of meat. There is currently no lobster-specific action level and therefore the State Toxicologist and DMR used the fin fish action levels in making a determination for this action. Further research is needed to establish a CDC action level for mercury in lobsters

Other Heavy Metals, PCBs, DDTs and PAH Compounds

Again, information is provided concerning levels in the sediment. The missing information is how consumption in lobsters and other marine animals might change should these chemicals and metals be released into the water column. Further research is recommended.

Note: Given appropriate funding, the Lobster Institute can facilitate these studies as the University of Maine has the facilities and expertise to conduct the research recommended.

For details on the proposed project, visit <http://www.nae.usace.army.mil/SearchResults.aspx?Search=searsport%2C%20maine>

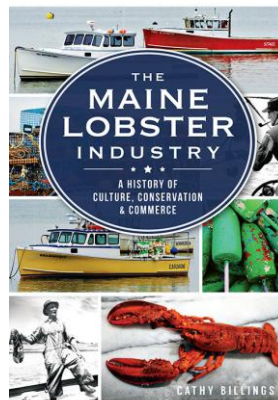
Those wishing to share comments and questions with the Maine Department of Environmental Protection regarding the proposed dredging can send emails to channeldredge.dep@maine.gov.

❖ **University of Maine Researchers Receive Saltonstall/Kennedy Grant to Examine Effect of Elevated Water Temperatures on Lobsters:** Dr. Heather Hamlin, Deborah Bouchard, Robert Bayer and others from the University of Maine received Saltonstall/Kennedy funding to examine the hypothesis that increasing ocean temperatures and altered seasonal temperature regimes are causative agents in the population decline of lobsters in Southern New England. This project will use an integrated approach to examine the significance of temperature on the growth, development and disease susceptibility to determine if temperature is a primary cause of population declines. Studies are just underway, and updates will be included in upcoming *Lobster Bulletins*. Erin Pelletier, Director of the Gulf of Maine Research Institute, will assist the team in the collection of lobsters for the studies.

Grant writing assistance was provided by the Lobster Institute. This service is available to other researchers applying for grants to benefit the lobster industry.

Lobster Institute Associate Director, Cathy Billings, Writes Book on the Many Layers of the Lobster Industry

“If the Good Lord ever made anything better than lobster, he kept it for himself.” So begins *The Maine Lobster Industry: A History of Culture, Conservation, and Commerce* by Cathy Billings. “Ed Blackmore of Stonington shared this quote from his grandfather with me,” says Billings. “What better truth with which to start my book.” The 123 page book with 70 historic and current photos, was released in April, 2014. It deals with the multi-layers of the industry that many people never see or are even aware of. “I wanted to share some insight on how vast the lobster industry really is,” says Billings. “It is so much more than the lone lobsterman going out each morning to haul his traps. It is literally a multi-billion dollar economic force.” The book, published by The History Press, is available through the Lobster Institute, with a portion of the proceeds going to support the work of the Institute to ensure a healthy resource, a viable fishery, and sustainable lobstering communities. Books can also be purchased at local bookstores in Maine; and on BarnesandNoble.com, and Amazon.com. Those who wish to purchase from the Lobster Institute can email lobsterinstitute@maine.edu or call Deb Seekins at 207-581-1443.



*Discover a
hardworking
history
beyond the
trap...*

Since the first recorded lobster catch in 1605, the Maine lobster fishery has grown into a multibillion-dollar force. Cathy Billings of the University of Maine Lobster Institute embarks on a journey from trap to plate, introducing readers to lobstermen, boat builders, bait dealers, marine suppliers and the expansive industry that revolves around the fishery. Maine lobster families extend generations back with an eye to their legacies. Strides in sustainability have been a hallmark of the Maine fishery throughout the centuries, from the time lobstermen themselves introduced conservation measures in the mid-1800s. Today, Maine's lobster fishery is a model of a co-managed, sustainable fishery. The people who work Maine's lobster fishery have developed a coastal economy with an international influence and deep history.



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**Protecting and conserving the lobster resource,
and enhancing lobstering as an industry and a way of life.**

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